

Docket No. N2006-1

APWU Library Reference N2006-1/5

**Congressional Correspondence
Regarding Various AMPs**

September 1, 2006

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Congress of the United States
Washington, DC 20515

March 27, 2006

The Honorable David M. Walker
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Mr. Walker:

The U.S. Postal Service (USPS) recently began to study selected postal processing plants and make recommendations to consolidate these plants and their operations. While we recognize that USPS may need to consolidate its facilities because it has excess capacity due to changes in the types of mail being processed and improvements in automation, we have some concerns about the way in which USPS is carrying out this realignment.

Specifically, we are not convinced that USPS is following the recommendations made in GAO's 2005 report, U.S. Postal Service: The Service's Strategy for Realigning its Mail Processing Infrastructure Lacks Clarity, Criteria, and Accountability. This GAO report recommended that the Service establish criteria, inform stakeholders as decisions are made, and evaluate and measure the outcomes of realigning these plants including the costs and savings that result. Although GAO recommended that USPS increase its efforts to keep stakeholders informed, members of the House and Senate have informed our Committees that they and the communities they represent have not been adequately informed about the Postal Service's plans, how the Postal Service proposed to analyze plant performance and make realignment decisions, and what are the potential effects on these communities.

Therefore, we are asking that GAO follow up on its report and determine:

- What criteria is USPS using to analyze and evaluate these plants?
- How does it plan to communicate these criteria to affected parties?
- How does USPS's overall communication strategy target the appropriate affected parties and does it provide sufficient information throughout the process? and
- How does USPS plan to measure the effects of realignment including costs incurred and savings realized?

The Honorable David M. Walker
March 27, 2006
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Please work with Jack Callender, Ann Fisher, Denise Wilson, and Larry Novey of our staffs as you develop and complete this work.

Sincerely,



Tom Davis
Chairman
House Committee on Government
Reform



Susan M. Collins
Chairman
Senate Committee on Homeland
Security and Governmental Affairs



Henry A. Waxman
Ranking Member
House Committee on Government
Reform



Joseph I. Lieberman
Ranking Member
Senate Committee on Homeland
Security and Governmental Affairs

Congress of the United States

Washington, DC 20515

May 1, 2006

The Honorable David M. Walker
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Mr. Walker,

We write to join the concerns submitted by Senator Harkin as well as the Chairs and Ranking Members of the House Government Affairs Committee and the Senate Committee on Homeland Security and Governmental Affairs regarding the U.S. Postal Service's (USPS) strategic realignment of their processing, distribution and bulk mail centers. In line with requests submitted by Senator Harkin and the Committee leadership, we also urge GAO to follow up on its 2005 report and determine the extent to which USPS is meeting its recommendations.

As you know, in July 2004, the President's Commission on the United States Postal Service submitted their final report on recommendations to modernize and strengthen the USPS. The recommendations included mechanisms to allow for greater accountability and stakeholder input in the realignment process. Nearly two years later, in April 2005, GAO published a report that found that the Postal Service's mail processing infrastructure realignment strategy lacks "sufficient transparency and accountability, excludes stakeholder input, and lacks performance measures for results." Although GAO recommended that USPS improve its efforts to keep stakeholders informed, our communities affected by current plans to consolidate mail processing plants have told us that they have not been adequately informed about the Postal Service's plans, the extent to which the Postal Service proposed to analyze plant performance and make realignment decisions, or the potential impacts on these communities.

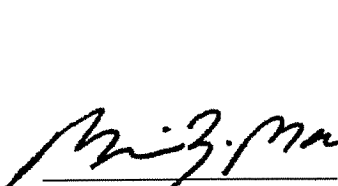
While we recognize that USPS may need to consolidate its facilities due to various factors including excess capacity in some areas, modernization of equipment, and changes in the type of mail being processed, we have some serious concerns about the way in which USPS is carrying out this realignment. We do not believe that USPS is following the recommendations made in GAO's 2005 report, U.S. Postal Service: The Service's Strategy for Realigning its Mail Processing Infrastructure Lacks Clarity, Criteria, and Accountability, which recommended that USPS establish criteria, inform stakeholders as decisions are made, and evaluate and measure the outcomes of realigning these plants including the costs and savings that result. While USPS may contend that the Area Mail Processing (AMP) study adequately responds to these recommendations, we continue to have concerns over the AMP study process as a tool to determine the feasibility of consolidation and its ability to make transparent the effects on mail delivery, cost-savings, and concerns of stakeholders.

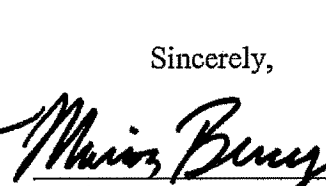
Therefore, in line with the previously submitted requests, we are asking that GAO follow up on its report and determine:

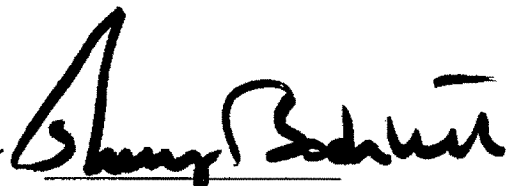
- What criteria is USPS using to analyze and evaluate these plants?
- How does it plan to communicate these criteria to affected parties?
- How does USPS's overall communication strategy target the appropriate affected parties and does it provide sufficient information throughout the process?
- How does USPS plan to measure the effects of realignment including costs incurred and savings realized?

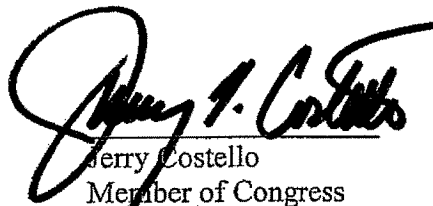
Thank you for your attention to our concerns and request. If you have any questions please feel free to directly contact our offices.

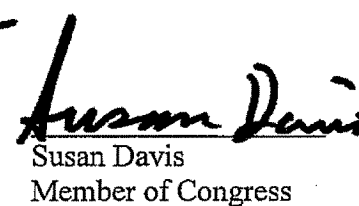
Sincerely,

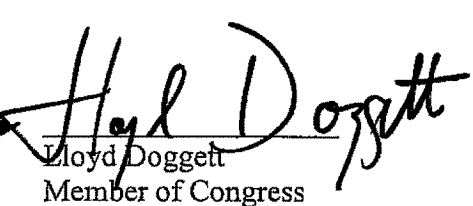

Brian Baird
Member of Congress

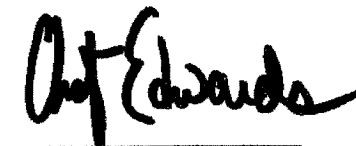

Marion Berry
Member of Congress



Sherwood Boehlert
Member of Congress



Jerry Costello
Member of Congress



Susan Davis
Member of Congress



Lloyd Doggett
Member of Congress



Chet Edwards
Member of Congress

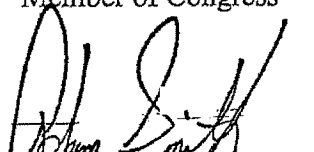

Barney Frank
Member of Congress



Stephanie Herseth
Member of Congress



Rush Holt
Member of Congress

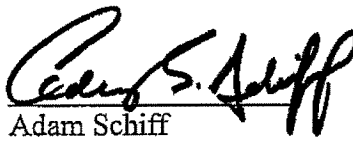

Ron Kind
Member of Congress


Dennis Moore
Member of Congress

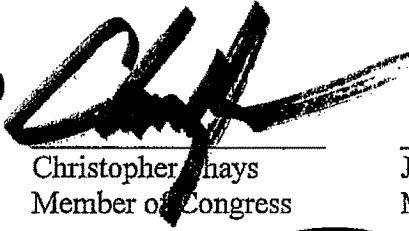

Adam Smith
Member of Congress


Ted Poe
Member of Congress


Bernard Sanders
Member of Congress



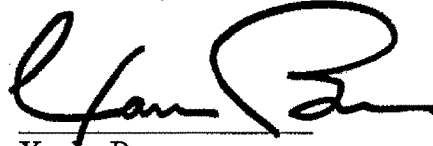
Adam Schiff
Member of Congress



Christopher Chays
Member of Congress



John Shimkus
Member of Congress



Xavier Becerra
Member of Congress

Congress of the United States
Washington, DC 20510

February 2, 2006

Mr. John E. Potter
Postmaster General
United States Postal Service
475 L'Enfant Plaza SW Room 10022
Washington, D.C. 20260-0010

Dear Postmaster General Potter,

We are writing to express our concern about the Area Mail Processing review of the Sioux City mail processing operations that is currently underway. While we appreciate your having made Senior Vice President of Operations Bill Galligan available to meet with Senator Harkin, Congressman King, a representative from Senator Grassley's office, and a delegation of Siouxland community and business leaders on January 26th, 2006, many questions remain unanswered.

Although this review process is supposed to allow for stakeholder input, Siouxland postal customers, businesses, and concerned citizens have not been included in this review process and as a result have brought numerous concerns to us that have not yet been considered by the Postal Service. We remain extremely concerned that not including this information could taint the final outcome.

Despite the meeting, we still lack a clear understanding of the criteria used by the Postal Service in making its mail processing consolidation decisions. Our constituents, who had traveled from Iowa to Washington, were also not given a clear timeline of when to expect a final decision. Perhaps most important of all, our local postal customers and businesses have received no explanation of likely delays and degradations in service that would result from consolidation.

As a result we request that:

- a set of the criteria used by the Postal Service in undertaking its Area Mail Processing process be provided to us;
- prior to a final decision, the Postal Service complete a service audit comparable to that being performed in the Las Cruces, New Mexico area, as requested by Senator Harkin and agreed to by Mr. Galligan;
- the Postal Service provide the local community with the opportunity to review the study and in turn provide a competing study with viable alternatives for consideration before a final decision is reached, as requested by Congressman King; and

- prior to final approval by the Postal Service the following information be made available to the public: the estimated annual cost savings of a consolidation, including the cost of moving the facility, capital investment and transition costs and increased transportation costs; jobs and job changes that might occur as a result of the consolidation; the impact on service for local businesses that rely on the processing center for the quick and efficient delivery of mail; and the impact on individuals who rely on the mail for vital services, such as mail order prescriptions. This information is critical to any real understanding of whether the final proposal is efficient and cost conscious.

Thank you for your time and consideration. We look forward to a process that includes increased communication between the Postal Service and Siouxland leaders and stakeholders.

If you have any questions or concerns regarding the above requests please contact Beth Stein with Senator Harkin and Paula Steiner with Congressman King. We look forward to your prompt response.



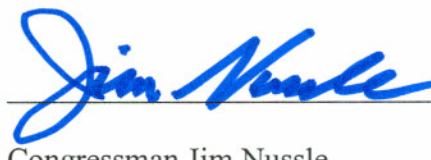
Senator Tom Harkin



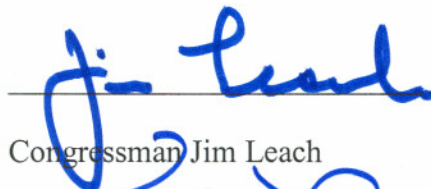
Congressman Steve King



Senator Charles Grassley



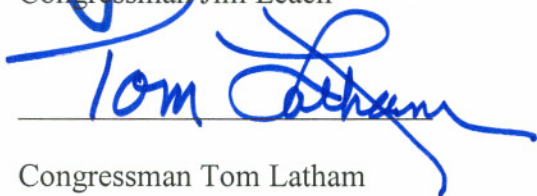
Congressman Jim Nussle



Congressman Jim Leach



Congressman Leonard Boswell



Congressman Tom Latham

Congress of the United States

Washington, DC 20510

May 30, 2006

Mr. John Potter
Postmaster General
United States Postal Service
475 L'Enfant Plaza SW
Washington, D.C. 20260-0010

Dear Mr. Potter,

The May 19 meeting held in Sioux City was substantive and professional, and for this we are very appreciative. It helped Sioux City leaders to develop a more fully-informed opinion on the matter. We hope that the Postal Service will continue to be forthcoming in a similar manner on all future proposed consolidations across the country.

At the conclusion of the meeting, Sioux City leaders expressed serious concerns about both the analysis supporting the proposed consolidation and the anticipated decision to consolidate. They also stated that the business case for consolidation was not convincing and that the decision to consolidate does not take into account many legitimate factors, factors that would directly affect both the costs to the Postal Service and the quality of service to the community. We completely support their position.

It is clear that the Postal Service has not considered important factors that are crucial to making a sound business judgment about whether or not to consolidate. Such critical factors as potential additional facility and land costs in Sioux Falls, costs related to employee relocations, and financial impact to the Postal Service of the disposal of the current Sioux City facility did not appear to either be seriously considered or integrated into the Postal Service's analysis. We join the business and community leaders of Sioux City in expressing grave concerns about the fact that little or no consideration was given to these important cost factors.

We are now concerned that before the community has been satisfied, you will make a final decision within the next 30 days to begin implementation of the consolidation. This point was mentioned at the meeting, and we would find such an action regrettable. We also have some concerns about the extent to which the Postal Service has integrated the feedback that it has been receiving from the community. Despite its recent interactions with the leaders of Sioux City, the members of this community have developed the impression that the Postal Service has not actually integrated any of their feedback into its consolidation planning. This is also regrettable.

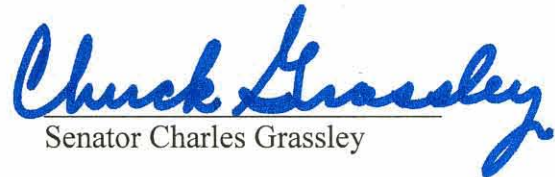
As a result, we have sent a request to the Postal Service's Inspector General, asking that it thoroughly review the proposed Sioux City consolidation and that it present its findings upon completion of this survey.

In the interim, we strongly believe that the proposed consolidation should be put on-hold until the Postal Service develops a rational methodology for making judgments concerning the consolidation, until a solid business analysis is both conducted and fully vetted with the community, and until, at a minimum, the Postal Service's Inspector General completes its review and presents its findings of the methodology, analysis, and business case used to justify this proposed consolidation.

Thank you in advance. We look forward to your prompt response.

A handwritten signature in blue ink, reading "Tom Harkin", written over a horizontal line.

Senator Tom Harkin

A handwritten signature in blue ink, reading "Chuck Grassley", written over a horizontal line.

Senator Charles Grassley

A handwritten signature in blue ink, reading "Steve King", written over a horizontal line.

Congressman Steve King

JOHN E. POTTER
POSTMASTER GENERAL, CEO



June 21, 2006

The Honorable Tom Harkin
United States Senate
Washington, DC 20510-1502

Dear Senator Harkin:

This responds to your May 30 letter, co-signed by Senator Charles E. Grassley and Representative Steven King, regarding the Postal Service's Area Mail Processing (AMP) study of originating mail processing operations in Sioux City, Iowa.

It is incumbent upon all businesses and government entities to constantly review their operations and make necessary adjustments to improve both service and efficiency. The Postal Service has a long and successful history of improving operational efficiencies and making service improvements to our national mail processing network by implementing AMPs. The process has been reviewed by the Government Accountability Office and is a fair mechanism for balancing efficiency and service.

Having said that, we welcome your requested review of the Sioux City proposal by the Postal Service's Office of Inspector General. The Postal Service will withhold a decision on this proposal until the Office of Inspector General completes its review and presents its findings. Upon receipt of those findings, we will make a final decision on the Sioux City AMP study and notify your office accordingly.

Sincerely,

A handwritten signature in dark ink that reads "John E. Potter".

John E. Potter

C.W. BILL YOUNG
10TH DISTRICT, FLORIDA

2407 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0910

DISTRICT OFFICES:
SUITE 1480
360 CENTRAL AVENUE
ST. PETERSBURG, FL 33701

SUITE 606
801 WEST BAY DRIVE
LARGO, FL 33770

Congress of the United States
House of Representatives
Washington, DC 20515-0910

June 19, 2006

COMMITTEE ON
APPROPRIATIONS
CHAIRMAN
SUBCOMMITTEE ON DEFENSE
SUBCOMMITTEE ON
MILITARY QUALITY OF LIFE AND
VETERANS AFFAIRS

Mr. John E. Potter
Postmaster General
United States Postal Service
475 L'Enfant Plaza SW
Washington, D.C. 20260

Dear Postmaster Potter:

This is to share with you my concerns, and those of my constituents from St. Petersburg and Pinellas County, Florida, about the proposed merger of the St. Petersburg and Tampa Area Mail Processing facilities.

Because the House was in session last Wednesday, I was unable to attend a town hall meeting in St. Petersburg with your District Manager Michael Jordan, where he discussed the proposed merger. However I was represented there by my District Assistant, who has briefed me on Mr. Jordan's presentation and on some of the questions and concerns that were raised by those in attendance.

The purpose of my letter is to raise with you several specific questions I have about this matter and to ask for more detailed information about these questions than seemed to be available at the town hall meeting.

First is a national perspective on how the Postal Service is evaluating sites for merger. Is there an overarching plan for the merger of these operations throughout the country or are you selecting areas of the country randomly based on recommendations from district offices? It would be helpful to understand how many mergers you are considering, over what time frame, and the criteria you are using to prioritize those changeovers.

Second, what has your experience been with the few mergers that have taken place? Are you realizing the savings and efficiencies you projected and what has the impact been on customer service and mail delivery schedules and operations. As you know, the U.S. Government Accountability Office in April 2005 issued a report on your plan to realign services and recommended that the Postal Service "establish a set of criteria for evaluating realignment decisions" and "develop a process for implementing these decisions that includes evaluating and measuring the results, as well as the actual costs and savings resulting from the decisions."

Having discussed this matter with the Chairman of the House Government Reform Committee which has jurisdiction over the Postal Service, I know the Committee has asked for more information about your compliance with these GAO recommendations. Before contemplating any changes of the magnitude you propose in our area, it would be helpful to know what your experience has been in the past and if you have the mechanisms in place to measure these outcomes.

Third, more information would be helpful to document your cost savings projections. The one-page fact sheet that was distributed at the meeting only provided five scant bullet points under the heading Business Case. It is hard to determine where your estimates come from without more details.

Fourth, the evaluation process that was used by your District Manager to determine if a merger is practical and if any alternatives were considered such as a Tampa to St. Petersburg merger. Information provided to me by the American Postal Workers' Union indicates that the St. Petersburg mail processing facility scores better than Tampa in terms of efficiency and productivity.

Fifth, more information about the impact any change would have on service to St. Petersburg and Pinellas County. Will the process of trucking mail back and forth across Tampa Bay result in longer delivery times?

Sixth, it has been suggested that having redundancy in mail processing facilities in our area is critical in times of natural disasters such as hurricanes. As you know, Florida was hit by eight major named storms in just the past two years. Any one of those storms could have damaged or knocked out one or the other of these mail processing facilities. Having a redundancy of operations would allow postal operations to continue without interruption. A merger of these facilities, however, would eliminate that possibility.

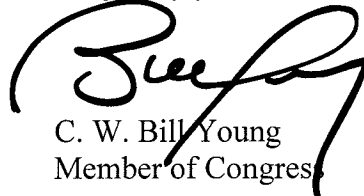
Finally, I want to ensure that you understand the strong community feeling about losing the city's identifying postmark. While the District Manager made comments that the postmark would be retained when requested, it seems that details are not available on how that would work. Again, the one page fact sheet on the proposed merger devoted only three bullet points to customer service and a general comment that, "The same services that are currently available at the Saint Petersburg facility will not be affected by the consolidation." That is hardly reassuring.

In closing, let me say that I understand the pressure the Postal Service is under from increasing competition from other delivery services and the need to rein in costs. However, the proposed merger of these facilities is a major decision that once made is probably irreversible. That is why it is imperative that our local elected officials and the members of our community have all the available information about your cost-benefit analysis and your assumptions about future customer service. Until we have the benefit of that information, I would respectfully request that you make no further decisions about this merger so that we may have the time to study the data you provide. Thank you for your attention to this matter of great interest to our community.

Mr. John E. Potter
June 19, 2006
Page 3

With best wishes and personal regards, I am

Very truly yours,

A handwritten signature in black ink, appearing to read "Bill Young", with a large, sweeping flourish extending from the end of the signature.

C. W. Bill Young
Member of Congress

CWY:hg



July 31, 2006

The Honorable Donald Manzullo
House of Representatives
415 S. Mulford Road
Rockford, IL 61108-3011

Dear Congressman Manzullo:

This letter is an informational notice of the termination of the U.S. Postal Service's Area Mail Processing (AMP) study of the consolidation of mail originating at the Rockford Processing and Distribution Center (P&DC) into the Palatine Processing and Distribution Center (P&DC).

Protection of current service levels is an overriding consideration in these reviews. Concerns about service, were the consolidation to take place at this time, have led us to halt the study. Therefore, consistent with the desires expressed by the community, outgoing processing will remain in Rockford.

If you have questions concerning this AMP study, please contact Ms. Sheila Meyers, Government Relations Manager, at (202) 268-2353.

Sincerely,


William P. Galligan

DOC HASTINGS
4TH DISTRICT, WASHINGTON

CHAIRMAN,
COMMITTEE ON STANDARDS
OF OFFICIAL CONDUCT

COMMITTEE ON RULES
CHAIRMAN, SUBCOMMITTEE ON RULES
AND ORGANIZATION OF THE HOUSE



1323 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6815

2715 SAINT ANDREW'S LOOP, SUITE D
PASCO, WA 99301
(509) 543-6298

302 EAST CHESTNUT
YAKIMA, WA 98901
(509) 452-3243

Congress of the United States House of Representatives

June 15, 2006

William P. Galligan
Chief Operating Officer
United States Postal Service
475 L'Enfant Plaza, SW, Room 10804
Washington, DC 20260-3500

Dear Mr. Galligan:

I write to again express my concerns regarding the United States Postal Service mail consolidation study for Yakima, Washington.

First, I appreciate that the Postal Service responded to my request to hold a public comment session.

While I recognize the importance of operating efficiently to ensure low postal rates, I urge the Postal Service to remain equally committed to increasing the quality of mail service and responding to the concerns of the Yakima community. I am not satisfied that the Postal Service has sufficiently studied the impact consolidation would have on the Yakima community, where mail service is already slower than it should be in some areas.

I remain troubled by the lack of detail provided by the Postal Service in providing a timeline for implementation of the Yakima consolidation study. I urge the Postal Service to seriously consider today's public comments – and respond fully to each concern voiced. Finally, I urge the Postal service to exhaust all possibilities that would allow retention of the Yakima postmark in name should consolidation be implemented.

I appreciate your attention to this matter and I look forward to continuing to work with you so that this may be resolved in a way that meets the needs of the Yakima community.

Sincerely,

Doc Hastings
Member of Congress

cc: John E. Potter, United States Postmaster General
Dale Zinser, United States Postal Service District Manager

THOMAS G. DAY
SENIOR VICE PRESIDENT
GOVERNMENT RELATIONS



June 30, 2006

The Honorable Doc Hastings
House of Representatives
Washington, DC 20515-4704

Dear Congressman Hastings:

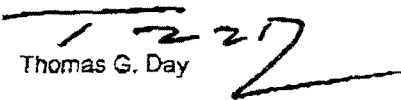
Thank you for your letter of June 15 regarding the Postal Service's Area Mail Processing (AMP) study of originating mail processing operations in Yakima.

I appreciate your interest in this matter and realize that you wish to ensure that all of your constituents receive the best possible service from the Postal Service. It is incumbent upon all businesses and government entities to constantly review their operations and make necessary adjustments to improve both service and efficiency. The Postal Service has a long and successful history of improving operational efficiencies and making service improvements to our national mail processing network by implementing AMPs.

I note your interest in the preservation of the Yakima postmark. I want to assure you that a Yakima postmark will remain available at the Yakima Main Post Office. This follows longstanding postal policy.

As mentioned in your letter, our meeting to obtain public comments in Yakima was held on June 15. Please be assured that all the comments we received from that meeting will be considered carefully. This proposal is still under review, and no final decision has been made. We will be in touch with your office as soon as we have more information to share.

Sincerely,


Thomas G. Day